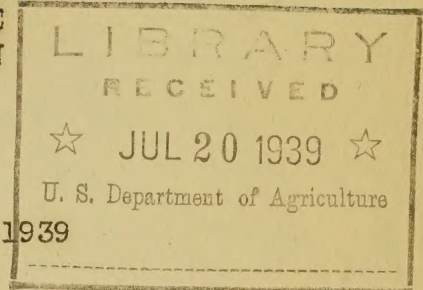


1. 94  
Ad 45M

UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION  
WASHINGTON, D. C.



July 6, 1939

MEMORANDUM

Re: "The Cattle Industry And The Trade Agreements With Canada"

A careful study of "The Cattle Industry And The Trade Agreements With Canada" has been made and issued by the Department of State, and a copy is enclosed herewith. A "Summary" states:

1. The duty reductions on limited quotas of calves, beef cattle weighing 700 pounds or over, and on dairy cows, which have been granted to Canada in the trade agreements with that country leave the domestic cattle industry amply safeguarded. The most important type of cattle on which concessions have been granted is beef cattle weighing 700 pounds or over, on which the annual quota in the new agreement is equivalent to only 1 1/8 percent of the average United States slaughter of cattle and calves in the years 1928-1932.
2. Beef cattle imports, even under the reduced tariff rates, have been very small in comparison with production. In 1938 the ratio of imports to inspected domestic slaughter of cattle was only 1.3 percent.
3. The limited duty reductions on beef cattle have not adversely affected domestic cattle prices. Statistics show that the movement of domestic prices is governed by the domestic demand and supply situation rather than by imports of foreign cattle.
4. Cattle prices tend to be favorably influenced by the trade-agreements program, rather than the reverse. The trade-agreements program, by restoring American foreign trade, stimulates domestic business activity in general, increases purchasing power and promotes higher standards of living. Cattle prices tend to rise when business activity and the national income are high, and to decline in times of depression.



- 2 -

Additional copies of this release may be obtained by writing the  
Department of State, Washington, D. C.

Sincerely yours,

*Duncan Wall*

Duncan Wall, Chief  
Regional Contact Section  
Division of Information

Enclosure.